



**JANE DEE HULL**  
GOVERNOR  
STATE OF ARIZONA

May 19, 1999

The Honorable Betsey Bayless  
Arizona Secretary of State  
1700 West Washington  
Phoenix, Arizona 85007

RE: House Bill 2360 (electric power competition)

Dear Secretary Bayless:

Today I vetoed House Bill 2360. This legislation would have made numerous changes to Arizona's electric competition efforts.

Those supporting and opposing this legislation seem to agree that 98% of the bill is acceptable. However, the belated inclusion of the highly technical and controversial paragraph on "buy through" raised a red flag for me. The constitutionality of the paragraph is questionable, because it encroaches on the authority of the Arizona Corporation Commission. According to Arizona's Residential Utility Consumer Office (RUCO) the "buy through" language would adversely impact residential customers. I share the concerns of the ACC and RUCO.

It is unfortunate that those provisions of HB2360 that are not controversial must suffer from this veto. This bill is another casualty of the legislative practices of last-minute amendments and "Christmas tree" bills, but I'll save that debate for another time.

I continue to support Arizona's entry into the era of electric competition and I encourage all participants to work together to meet the current schedule for implementation. Arizona's electric deregulation policy must provide benefits to all consumers, including large industrial and commercial users as well as small business and residential consumers.

After recent discussions on this bill, I am optimistic that a workable solution can be achieved quickly, under the continued leadership of Speaker Groscost and Senator Wettaw. I would agree to revisit this issue in Special Session if the parties can reach consensus and send me a bill that is 100% acceptable.

Sincerely,

A handwritten signature in cursive script that reads "Jane Dee Hull".

JANE DEE HULL  
Governor

cc: The Honorable Jeff Groscost  
The Honorable John Wettaw